

From: [ehbarak <ehbarak1@gmail.com>](mailto:ehbarak1@gmail.com)
To: [Nili Priell Barak <nili.barak@hyperion-eb.com>](mailto:nili.barak@hyperion-eb.com)
CC:
Date: Sat, 10/25/2014 12:18:20 AM
Subject: Re: letter from Forme PM Barak

Dear Joachim

Thx again for the temperament and swiftness of response. I like this straight forward approach.

In regard to (3) you can omit it.

I accept your approach that each side will pay his expenses , tax, VAT etc.

in regard to (1) and (2) I've thought its behind us but prefer to talk over the phone to explain why I think it's better for you as well.

Please let me know when we can talk. I'm in Israel now GMT+ 2. Ready to talk now if you're still in UK. Otherwise just propose an early time you're comfortable with.

Best

Ehud Barak

Sent from my iPhone

On Oct 24, 2014, at 19:38, Nili Priell Barak <nili.barak@hyperion-eb.com> wrote:

answer from Cui

Begin forwarded message:

From: Joachim Chao <Joachimchao@hotmail.com>
Subject: Re: letter from Forme PM Barak
Date: October 24, 2014 at 7:30:52 PM GMT+3
To: Nili Priell Barak <nili.barak@hyperion-eb.com>

Your Excellency,

With respect we have issues with three matters:

1) The fact that an advisor may act for both the buyer and the seller. This is unusual.

2) The fee being 2% of the Enterprise value rather than that of the proceeds we pay, the agreement needs to specify that we pay the fee in proportion to the payments we make. We have no information of the debt level of the target company so we do not know what understanding we are entering into? We will probably refinance all the debt ourselves anyway so, it will most likely end up the same in terms of fees?

3) We do not like having to cover the advisor's tax or withholding liabilities. We propose to pay fees gross, and let each party take care of his own tax liabilities(including VAT) or withholding liabilities.

Please let me know if this is acceptable, and if so you may ask your lawyer to draft in the changes.

Regards,

Joachim Chao.

Sent from my iPhone

On 24 Oct 2014, at 18:15, Nili Priell Barak <nili.barak@hyperion-eb.com> wrote:

Dear Joachim,

Thanks for your quick response.

Please find attached a proposal for a slightly modified version of your letter to me, which according to my lawyers will better describe the proper way for us to establish relationship.

I'll greatly appreciate it if you can resend the letter to me this way. Of course you can suggest further modifications and you can call me any time for clarifications.

Immediately upon receiving the letter, I shall send you a detailed material provided to me by the Seller and we can move forward on.

Warm regards,

Ehud Barak

<Response to Barak from Joachim Chao.rtf>